

BOUNTIFUL REDEVELOPMENT AGENCY

Meeting Minutes of: Tuesday, September 22, 2009

Location: City Council Chambers, Bountiful City Hall, 790 South 100 East, Bountiful, Utah

Present: Chairman, Joe Johnson, Board Members Beth Holbrook, John M. Knight, Scott Meyers, Fred Moss, Tom Tolman, City Attorney Russell Mahan, City Manager Tom Hardy, City Engineer Paul Rowland, and Redevelopment Director Aric Jensen.

Welcome

Chairman Johnson opened the meeting at 6:55 p.m. and welcomed those in attendance.

Agenda Items

1. Consider approval of the minutes from the May 26, 2009 meeting.

Board Member Fred Moss made a motion to approve the minutes for May 26, 2009, with the correction to Mr. Tolman's name. Board Member Beth Holbrook seconded the motion and voting was unanimous in favor.

2. Consider approval of a one year extension on the RDA loan to Druyon Law Offices.

Mr. Jensen presented the staff report. Mr. Druyon received a business enhancement loan for \$40,000 in September of 2004, which was drawn down in two equal payments of \$20,000, to remodel and upgrade an existing building in Colonial Square. On October 1st of this year his 5 year balloon payment is due. However, due to the current commercial lending climate, he is petitioning the Board for a one year extension of the loan.

Attached is a copy of Mr. Druyon's current promissory note, dated January 27, 2005. His lump sum payoff is approximately \$22,300, and he is current on his payments. The RDA has sufficient reserve funds to cover the loans budgeted for this fiscal year without taking into account the \$22,300 owed by Mr. Druyon.

The staff recommends extending the call date on Mr. Druyon's existing loan 12 months to October 1st, 2010, according to the payment terms set forth in the signed promissory note of January 27, 2005.

Beth Holbrook made a motion to approve the one year extension to the RDA loan to Druyon Law Offices. Tom Tolman seconded the motion. Voting was unanimous in favor.

3. Consider approval of a one year extension on the RDA loan to El Matador Restaurant.

Mr. Jensen presented the staff report. Mr. Artoosh Hasratian received a business development loan for \$350,000 in August of 2004, to build the El Matador Restaurant. On September 1st of this year his 5 year call date came due. Mr. Hasratian began the process of refinancing his property earlier this year, however, due to the current economic/lending market, he has asked for a one year extension to complete the process.

Attached is a copy of Mr. Hasratian's current promissory note, dated August 16, 2004. His lump sum payoff (due September 1st) was approximately \$191,000, and he is current on his payments (RDA staff administratively extended the loan call date one month to October 1st for scheduling reasons). The RDA has sufficient reserve funds to cover the loans budgeted for this fiscal year without taking into account the \$191,000 owed by Mr. Hasratian.

Staff recommends extending the call date on Mr. Hasratian's existing loan 12 months to September 1st, 2010, according to the payment terms set forth in the signed promissory note of August 16, 2004.

John M. Knight made a motion to approve the one year extension to the RDA loan to El Matador Restaurant. Scott Meyers seconded the motion. Voting was unanimous in favor.

Adjourn

Chairman Johnson ascertained that there were no other items to discuss. Board Member John M. Knight made a motion to adjourn the meeting. Beth Holbrook seconded the motion. Voting was unanimous in favor. The meeting was adjourned at 6:58 p.m.